

Press Release

17 May 2019

**Affin Hwang AM Launches Zero Entry Fee
Smart Invest Fund**

KUALA LUMPUR – Affin Hwang Asset Management Berhad (“Affin Hwang AM” or “the Company”) announced today the launch of the Smart Invest Portfolio – Growth (“the Fund”) which is the first in a series of zero front-end load funds lined up by the company that waives the initial sales charge.

The Fund is a retail mixed asset fund that aims to provide investors with income and capital growth over the medium to long-term period through a portfolio of collective investment schemes. Structured as a fund-of-funds (FoF), the Fund combines an all-in-one approach to source the best-in-class strategies covering multiple asset classes, regions and managers.

To achieve its investment objective, the Fund will invest a minimum of 95% of the Fund’s net asset value (NAV) into collective investment schemes and a maximum of 5% of the Fund’s NAV into money market instruments and/or fixed deposits for liquidity.

Chan Ai Mei, Chief Marketing & Distribution Officer of Affin Hwang AM said, “With a minimum investment amount of just RM100, the Fund is the ideal starter-kit for both novice and seasoned investors looking to dip their toes into markets at zero entry cost. Through a carefully constructed model portfolio and fund selection process, we combined the best in-house strategies and investment expertise abroad to deliver better risk-adjusted returns to investors.”

Based on a model portfolio which takes into account past performance, market and risk factors, the Fund delivered an annualised return of 7.4%¹ per annum since 2017. The time period covers 2017 which was a banner year for markets as well as 2018 which was a correction year.

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She also commented on the vagaries of market timing in a highly volatile environment. “Many investors are finding it increasingly difficult to time the market and position their portfolios accordingly. For instance, we saw how quickly the macro environment flipped 180 degrees from the rout in end-2018 to 1Q’2019, when rate expectations were lowered with the US Federal Reserve opting to take a more patient approach. This change in market dynamics supported a recovery in risk assets,” Ai Mei said.

“As such, many investors were under positioned to capture this liquidity-driven rally and missed out on returns in the early part of 2019. This Fund seeks to address one of the most common pitfalls investors make when chasing the market and instead keep their anxieties at bay in the hands of a trusted fund manager,” Ai Mei continues.

Through an active review and quarterly rebalancing exercise (ad-hoc if needed), the Fund would tilt its allocation depending on market conditions to protect downside as well as tactically deploy to benefit from a market recovery. The Fund is suitable for investors who seek capital appreciation, have a long-term investment horizon and a high risk tolerance. The Base Currency of the Fund is in MYR. The annual management fee is 1.8% per annum of the NAV of the Fund. There is also a 3% repurchase charge whenever a redemption is made.

Investors are advised to read and understand the contents of the Fund’s Product Highlights Sheet and Information Memorandum dated 17 May 2019 before investing. Investors who are keen to learn more about the Fund can visit <http://affinhwangam.com/> and invest through any of Affin Hwang AM sales offices in Malaysia.

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Sources

1. The above simulated performance is hypothetical and strictly for illustrative purpose only. Past performance is not a guide to current or future performance. (Source: Lipper as at 10 May 2019, in MYR terms)

About Affin Hwang Asset Management Berhad

Affin Hwang Asset Management Bhd ("Affin Hwang AM" or the "Company") was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang-DBS Unit Trust Berhad in 2001. In early 2014, the Company was acquired by the Affin Banking Group ("Affin") and hence, is now supported by a major home-grown financial services conglomerate. Affin has close to 40 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, Affin Hwang AM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, a leading independent Asian investment management franchise. Its head office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Malacca, Johor Bahru, Kuching, Miri and Kota Kinabalu.

Affin Hwang AM's core business is providing fund management services to private clients, as well as to retail clients via its stable of unit trust funds and private retirement schemes. The Company offers wide range of unit trust products and investment solutions with underlying investments comprising conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds. Affin Hwang AM's Shariah investment solutions are made available through its wholly-owned subsidiary and Islamic investment arm, AIIMAN Asset Management Sdn. Bhd. ("AIIMAN")

Since its inception in 2001, Affin Hwang AM has achieved an exponential growth in its total assets under administration ("AUA"). As at 30 April 2019, the total AUA, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM51.6 billion (combined AUA of Affin Hwang AM and AIIMAN).

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Warning Statement

A Product Highlights Sheet (PHS) is available for the Fund and investors have the right to request for a copy of it.

Investors are advised to read and understand the contents of the PHS and Prospectus dated 17 May 2019 for the Fund before investing.

The Prospectus has been registered as well as the PHS has been lodged with the Securities Commission Malaysia, who takes no responsibility for its contents. A copy of the Prospectus and the PHS can be obtained at Affin Hwang AM's sales

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offices. Units will only be issued upon receipt of an application form referred to in and accompanying the Prospectus and PHS. There are fees and charges involved when investing in the Fund. Investors are advised to consider the fees and charges carefully before investing. The price of units and distribution payable, if any, may go down as well as up and past performance of the Fund should not be taken as indicative of its future performance. If you plan to purchase units of the Fund via loan financing, you are advised to read and understand the contents of the "Unit Trust Loan Financing Disclosure Statement" before deciding to borrow to purchase units